

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
BISMARCK ND 58502**

March 21, 2002

SUBJECT: Office of General Counsel's (OGC) Rural Housing Service (RHS)
Foreclosure Referral System for Single Family Housing for Submission
to Initiate Foreclosure Action

TO: All Rural Development Field Offices in North Dakota

PURPOSE/INTENDED OUTCOME:

The purpose of this North Dakota Administrative Notice (AN) is to establish a current standardized foreclosure and security summary that can be processed by OGC and the Department of Justice (DOJ) personnel with minimal additional input.

COMPARISON WITH PREVIOUS AN:

This AN replaces ND AN No. 1351 (HB-2-3550) dated August 15, 2001, which has been revised.

IMPLEMENTATION RESPONSIBILITIES:

The attached Foreclosure Referral System packet has been revised to meet the current needs of the RHS Single Family Housing Program. The Foreclosure Referral System packet developed by OGC, with input from RHS, is to be completed and submitted shortly after the borrower's appeal rights have expired.

To complete the attached packet, you will need to have the property appraised, if applicable. The Field Office will need to calculate the Maximum Payoff. You will then need to request the Final Payoff from Centralized Servicing Center (CSC). You will do so by completing and faxing Attachment 13-A of HB-1-3550 to the Payoff Department at CSC. Your payoff request date will be the same date as the maximum payoff you obtained.

In cases in which we may be able to recapture subsidy, you may need to contact CSC to obtain copies of the Payment Assistance renewals.

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Following ND State Supplement

The abstract will need to be updated and the Real Estate taxes paid. The vouchers DO NOT have to be applied to the account before referring the case to the State Office.

Using a blue ink pen, complete the packet in its entirety. Submit the original, copies and cover letter to the State Office for referral to OGC.

If you have any specific questions, please contact the Rural Housing Section.

/s/ Clare A. Carlson
CLARE A. CARLSON
State Director

Attachment